



*Neighbors Helping Neighbors In Need*

2013 Michigan Energy Public Forum

# Energy...


An essential commodity...  
consumed before it's paid for.

# Affordability...


We have a system that extends credit to people whom are unable to pay.

# Reform...


Changes are needed to drive new behaviors that lead to self-sufficiency among low-income energy customers.



We believe all households  
have the potential to use  
less energy...



And, for those in need,  
to make a greater  
contribution toward the  
energy they use...



But the current  
system does not inspire  
that potential...

# What does a Win-Win-Win look like?

## Current Situation

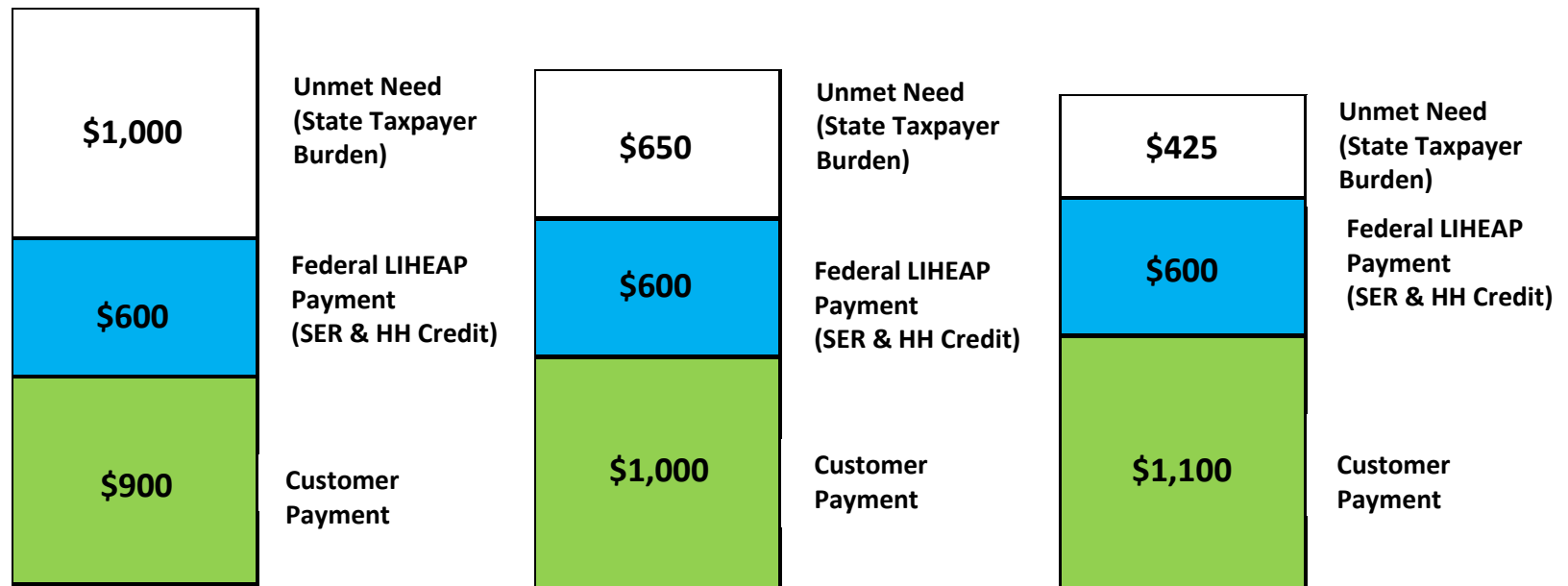
Energy Cost: \$2,500

## Near-Term Potential (2-3 yrs)

Energy Cost: \$2,250 - **10% Reduction**

## Longer-Term Potential (3-5 yrs)

Energy Cost: \$2,125 - **15% Reduction**



\* Assumes constant weather, utility rates, federal LIHEAP payments



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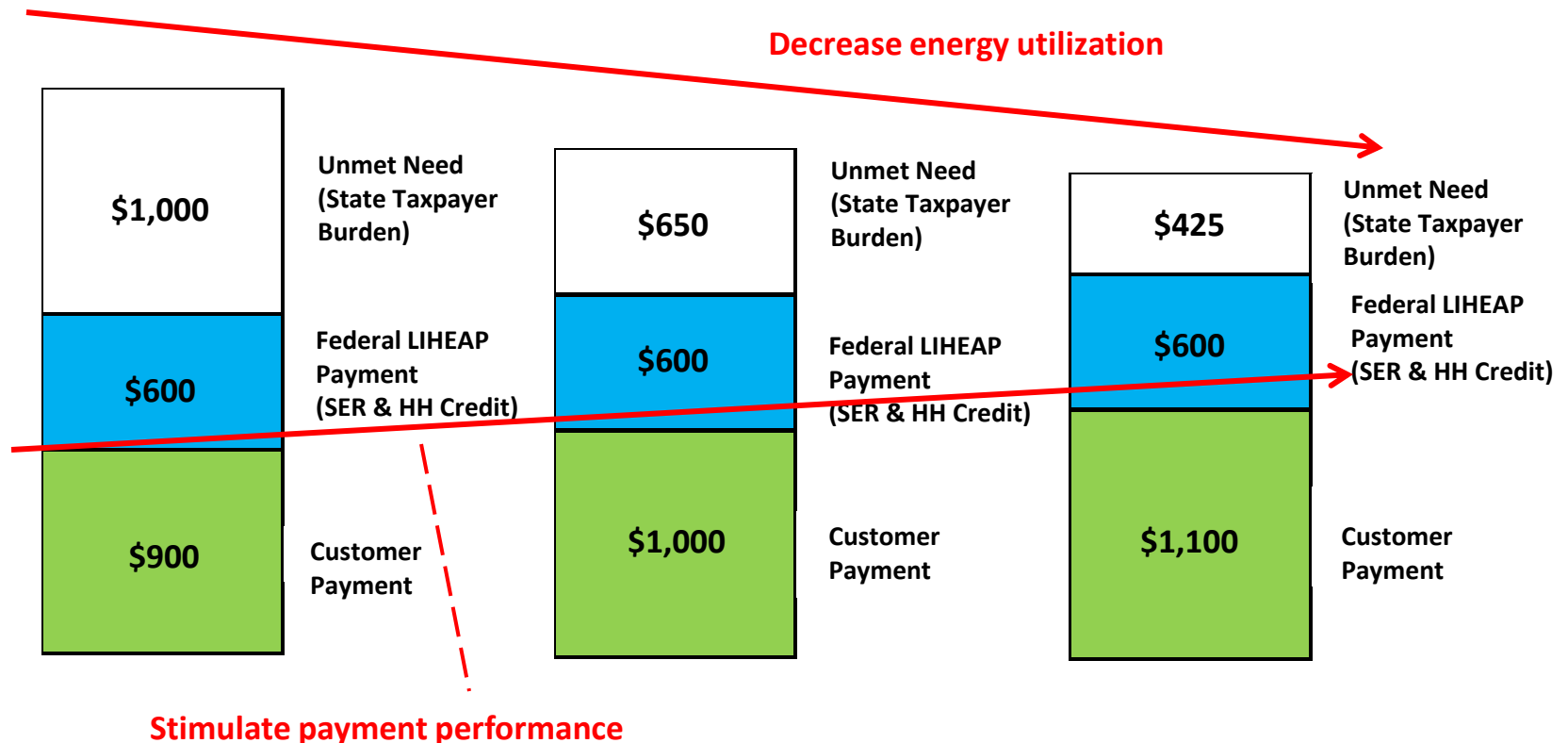
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**Increased alignment drives 58% reduction in state assistance!**

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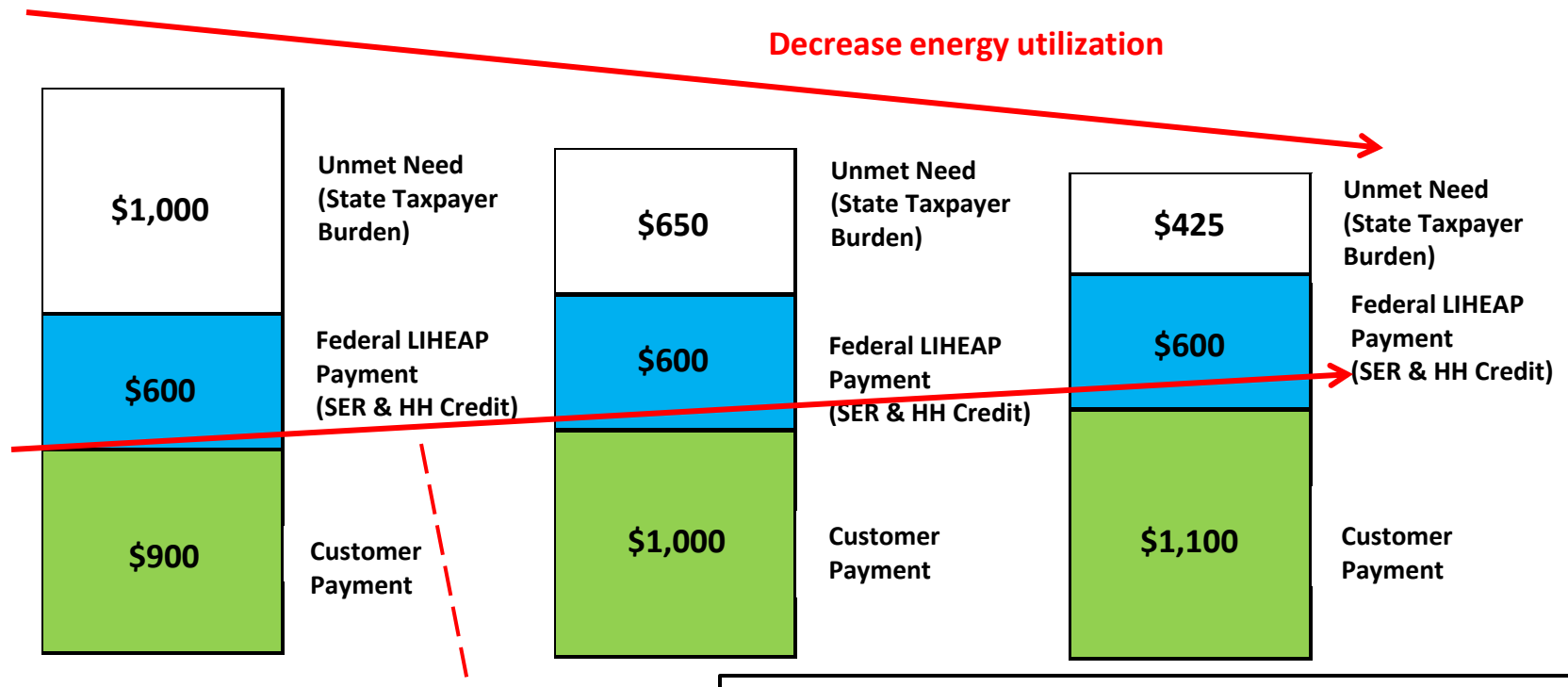
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**Stimulate payment performance**

### Enabling Programs/Interventions Michigan Home Energy Solutions

- Clear Control
- Seal of Approval
- Transactional Efficiency
- Building Blocks
- Affiliates Program
- Fostering Social Innovation



# Public/Private Partnerships: MHES

**DTE Energy®**



**Consumers Energy**



**CLEAResult**  
FAMILY OF COMPANIES



**IDEO**



**MATRIX**  
HUMAN SERVICES  
"Touching Hearts, Changing Lives"  
Established 1906

# Guiding Principles

- Meet customers where they are
- Give customers control
- Enable quick customer wins

# “Clear Control”

- 10-Month Pilot (beginning April 2013)
- Flint, MI
- 30 participants
- Modified payment cycle - frequent billing
- Arrears set aside
- Daily communication about consumption and dollars owed
- Payment incentivized with arrears forgiveness
- Quick access to pre-approved aid

# Reform...

should enable agencies like THAW  
to move from transaction-based  
to solutions-based.

# Reform...

Should move low-income  
customers from being  
energy insecure to being in  
control of the energy they use.



# Thank You



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